



House of Representatives

General Assembly

File No. 486

January Session, 2011

Substitute House Bill No. 6403

House of Representatives, April 7, 2011

The Committee on Energy and Technology reported through REP. NARDELLO of the 89th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING UTILITY TERMINATION FOR HOUSEHOLDS
WITH A CHILD NOT MORE THAN TWENTY-FOUR MONTHS OLD.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (1) of subsection (b) of section 16-262c of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective July 1, 2011*):

4 (b) (1) From November first to May first, inclusive, no electric or
5 electric distribution company, as defined in section 16-1, no electric
6 supplier and no municipal utility furnishing electricity shall terminate,
7 deny or refuse to reinstate residential electric service in hardship cases
8 where the customer lacks the financial resources to pay his or her
9 entire account. From November first to May first, inclusive, no gas
10 company and no municipal utility furnishing gas shall terminate, deny
11 or refuse to reinstate residential gas service in hardship cases where
12 the customer uses such gas for heat and lacks the financial resources to
13 pay his or her entire account, except a gas company that, between May

14 second and October thirty-first, terminated gas service to a residential
 15 customer who uses gas for heat and who, during the previous period
 16 of November first to May first, had gas service maintained because of
 17 hardship status, may refuse to reinstate the gas service from November
 18 first to May first, inclusive, only if the customer has failed to pay, since
 19 the preceding November first, the lesser of: (A) Twenty per cent of the
 20 outstanding principal balance owed the gas company as of the date of
 21 termination, (B) one hundred dollars, or (C) the minimum payments
 22 due under the customer's amortization agreement. Notwithstanding
 23 any other provision of the general statutes to the contrary, no electric,
 24 electric distribution or gas company, no electric supplier and no
 25 municipal utility furnishing electricity or gas shall terminate, deny or
 26 refuse to reinstate residential electric or gas service where the customer
 27 lacks the financial resources to pay his or her entire account and for
 28 which customer or a member of the customer's household the
 29 termination, denial of or failure to reinstate such service would create a
 30 life-threatening situation. From October first until June first, no electric,
 31 electric distribution or gas company, no electric supplier and no
 32 municipal utility furnishing electricity or gas shall terminate, deny or
 33 refuse to reinstate residential electric or gas service where the customer
 34 is a hardship case and lacks the financial resources to pay his or her
 35 entire account and a child not more than twenty-four months old
 36 resides in the customer's household and such child has been admitted
 37 to the hospital and received discharge papers on which the attending
 38 physician has indicated such service is a necessity for sixty days.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2011	16-262c(b)(1)
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ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
All	All Funds - Cost	None	Potential, less than \$50,000

Municipal Impact:

Municipalities	Effect	FY 12 \$	FY 13 \$
All Municipalities	STATE MANDATE - Cost	None	Potential, less than \$50,000

Explanation

The bill would result in an estimated cost of less than \$50,000 to both the state and municipalities. By lengthening the period of time during which certain utility customers may not have their service disconnected, the bill would increase the overall cost to ratepayers for electricity and natural gas. There would be no increased costs to ratepayers, including the state and municipalities, until the Department of Public Utility Control revises the utility rates to incorporate the bill's costs.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 6403*****AN ACT CONCERNING UTILITY TERMINATION FOR HOUSEHOLDS WITH A CHILD NOT MORE THAN TWENTY-FOUR MONTHS OLD.*****SUMMARY:**

This bill extends the law that limits when electric and gas utilities can restrict service to hardship customers who cannot pay their entire bill. Under current law, utilities cannot terminate or refuse to reinstate residential service to such customers from November 1 through May 1. The bill additionally prohibits these utilities from denying service to such customers. The bill does not define “deny,” but it appears to refer to a utility refusing to serve a new customer, e.g., one who has moved into the utility’s service territory. Under CGS § 16-262j, utility companies and competitive electric suppliers cannot refuse to serve a residential customer who is unable to pay the security deposit charged for their service.

By law, the utilities cannot, at any time during the year, terminate or refuse to reinstate service to any customer if the customer cannot pay his or her entire bill and the termination or failure to reinstate would create a life-threatening situation. The bill additionally prohibits the utilities from denying service under these circumstances.

The bill also extends the “moratorium” period to October 1 until June 1 in certain cases. The extension applies when the customer is a hardship case with a child up to 24 months old living in the household who has been admitted to the hospital and received discharge papers on which the attending physician indicates that the utility service is needed for 60 days.

Current law and the bill apply to electric and gas companies,

competitive electric suppliers, and municipal utilities furnishing electricity or gas.

EFFECTIVE DATE: July 1, 2011

BACKGROUND

Hardship Cases

By law, hardship customers include those (1) receiving state or federal public assistance; (2) whose only financial support is Social Security, Veterans' Administration, or unemployment compensation benefits; (3) who are unemployed and head of a household whose income is less than 300% of the federal poverty level (FPL); (4) who are seriously ill or have a household member who is seriously ill; (5) whose income falls below 125% of the FPL; and (6) whose circumstances threaten to deprive them their dependent children of food and the necessities of life if they are required to pay a delinquent bill.

Related Bill

HB 6405, An Act Concerning Certification of Seriously Ill Customers, reported favorably by the Energy and Technology Committee, allows (1) an advanced practice registered nurse to certify that a utility customer or member of his or her household is seriously ill and (2) defines "seriously ill" for this purpose.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 22 Nay 0 (03/22/2011)